

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7092

BILL NUMBER: HB 1236

NOTE PREPARED: Jan 21, 2006

BILL AMENDED: Jan 19, 2006

SUBJECT: Capitol Police Salary Matrix.

FIRST AUTHOR: Rep. Ruppel

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill provides that special police officers who provide security and preserve the peace in and around the State Capitol Building, the State Office Building, and certain other state facilities are Capitol Police. It requires the State Police Board to adopt a salary matrix for Capitol Police with the same percentage salary differentials between the ranks as the salary matrix for police employees. The bill provides that the matrix must be used after June 30, 2007.

Effective Date: (Amended) July 1, 2006.

Explanation of State Expenditures: (Revised) After June 30, 2007, the State Police Board must use a salary matrix that categorizes salaries of capitol police officers within each rank based upon the rank held and the number of years of service in the department through the tenth year. The salary ranges the board assigns to each rank must be divided into a base salary and 10 increments above the base salary, with the base salary in the rank paid to a capitol police officer with less than one year of service in the department and the highest salary in the rank paid to a capitol police officer with at least 10 years of service in the department. For purposes of creating the salary matrix, the board may not approve salary ranges for any rank that are less than the salary ranges effective for that rank on January 1, 2006.

Forty-two capitol police officers are assigned to security at the State Office Building Complex and the Capitol. Assuming that these employees began in January and applying their original year of hire, the increase in salaries that would be needed to place them on a salary matrix that would have the same percentage increases between years of service for a particular rank that are comparable to the percentage increases between years of service for a similar rank for state police could equal an estimated \$70,000 for FY 2008, which includes

added costs for benefits. However, the salary matrix must be reviewed and approved by the Budget Agency before implementation. The matrix must be used after June 30, 2007.

Ultimately, the impact and the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

Explanation of State Revenues: (Revised) The state could experience a minimal increase in the state income tax collections of approximately \$2,380 ($0.034 \times \$70,000$) for the first year. Individual Adjusted Gross Income Tax revenue is deposited in the General Fund and the Property Tax Replacement Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues: Local units will experience a minimal increase in the local option income tax collections.

State Agencies Affected: State Police.

Local Agencies Affected: Units within a county that has adopted local option income taxes.

Information Sources: State Police; 2005 State Police Salary Matrix and the 2006 State Personnel Staffing Report.

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